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**Comptroller General  
of the United States**

Washington, D.C. 20548

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## Decision

**Matter of:** Fire Security Systems, Inc.

**File:** B-271740

**Date:** July 22, 1996

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John M. Frazier, Esq., Peatross, Greer & Frazier, and W. R. Hayes, for the protester. Christopher M. Bellomy, Esq., George N. Brezna, Esq., and Marilyn Walter Johnson, Esq., Department of the Navy, for the agency. Jacqueline Maeder, Esq., and Paul Lieberman, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

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### DIGEST

Agency properly accepted a bid which, while it included a nonresponsive alternate option, also constituted an offer that did not take exception to any solicitation requirement and was not susceptible to more than one reasonable interpretation.

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### DECISION

Fire Security Systems, Inc. protests the proposed award of a contract to Lima Fire Equipment Company under invitation for bids (IFB) No. N62467-95-B-1106, issued by the Department of the Navy, Naval Facilities Engineering Command, for an automatic fire sprinkler protection system for the Naval Hospital NTTC Corry Station, Naval Air Station, Pensacola, Florida. Fire Security asserts that Lima's bid should be rejected because it was ambiguous.

We deny the protest.

The Navy issued the solicitation on January 31, 1996. The bid form required the entry of prices for two items, the base bid and one option, with award to be made to the bidder offering the lowest total price. The IFB provided that for "sprinkler piping" the industry standards set forth in National Fire Protection Association (NFPA) 13 and NFPA 14 would apply "except as modified herein." Under the conditions outlined in the solicitation, NFPA 13 specifies that the pressure limitations and the minimum wall thicknesses for 5-inch, 6-inch and 8 to 10-inch steel pipe shall be in accordance with Schedule 10 pipe. However, the same section of the IFB goes on to state that "Steel piping shall be Schedule 40 for sizes less than 8 inches, and Schedule 30 or 40 for sizes 8 inches and larger." Thus, while the reference of NFPA allows for Schedule 10 steel pipe for certain of the specified sizes, the IFB modifies the requirement to Schedule 30 or Schedule 40 steel pipe for those sizes.

By facsimile dated February 2, Wolverine Fire Protection Company, a Lima subcontractor, requested clarification of the specification, asking if Schedule 10 piping could be used per NFPA 13. The agency did not respond to this inquiry.

Bid opening was March 28. Six bids were submitted. Lima's bid was as follows:

"Item 1, Base Bid:	\$1,064,000.00
Item 2, Option Item 0001:	\$6,000.00
DEDUCT FOR SCHEDULE 10 PIPE	\$10,000.00"

Lima's total bid of \$1,070,000 was low; Fire Security submitted a bid of \$1,217,500 which was second low.

Fire Security asserts that Lima's bid is ambiguous. Specifically, Fire Security argues that the language "Deduct for Schedule 10 pipe \$10,000.00" can either be interpreted to mean that the agency has the option of deducting \$10,000 from Lima's bid price if the agency decides to use Schedule 10 pipe or that the bid has already been reduced \$10,000 because Fire Security offered Schedule 10 pipe. Fire Security concludes that since it is impossible to know if Lima offered in its bid to meet the specifications of the IFB and what Lima actually intended to bid, the Navy must reject Lima's bid as ambiguous and award the contract to Fire Security.

The Navy's view is that there is no ambiguity in Lima's bid, and that the notation which Lima wrote on its bid means simply that, if the Navy would permit Lima to substitute Schedule 10 pipe, Lima would deduct \$10,000 from the entered price. The Navy takes the position that while the notation provides an alternate which Lima has made available, Lima's primary bid does not modify or take exception to the requirements of the solicitation.

Generally, an ambiguity in a bid exists where it is subject to two reasonable interpretations. High Country Equip., Inc., B-242669, Apr. 19, 1991, 91-1 CPD ¶ 392. An item in a bid that has more than one possible interpretation does not render a bid ambiguous if the application of reason serves to remove the doubt, leaving only one reasonable interpretation of the bid. Blueridge Gen., Inc., 71 Comp. Gen. 271 (1992), 92-1 CPD ¶ 218; 51 Comp. Gen. 831 (1972).

Here, the only reasonable interpretation of Lima's bid notation is that it represents an alternate bid at a reduced price if the government elected to accept Schedule

10 pipe.<sup>1</sup> The IFB clearly modified the referenced industry standards to require either Schedule 30 or Schedule 40 pipe, and Lima's price entries for the base and option items do not take any exception to this requirement. In view of the unanswered inquiry as to the possible use of the superseded industry standard of Schedule 10 pipe, the only reasonable interpretation of the additional price entry is that while Lima offered to provide Schedule 30 or Schedule 40 pipe at its base bid of \$1,064,000, it was also providing an alternate offer to supply Schedule 10 pipe at a reduced price should the agency elect to permit Schedule 10 pipe. Because Lima unequivocally offered to provide the requested Schedule 30 or Schedule 40 pipe in total conformance with the requirements specified in the IFB, its bid is responsive and was properly accepted by the Navy.<sup>2</sup>

Fire Security's argument that Lima's bid could reasonably be interpreted as offering only Schedule 10 pipe at a \$10,000 reduction is not logical. If Lima were offering Schedule 10 pipe the "deduct" notation would be unnecessary, or logically would have been stated in the form \$10,000 had been "deducted." Fire Security's proffered interpretation which would render the bid nonresponsive calls for a strained and implausible application of an entry which, in context, simply offers an alternate in addition to a clearly responsive bid.

The protest is denied.

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<sup>1</sup>Bidders are not prohibited from submitting an alternate bid, even if the IFB does not explicitly authorize the submission of alternate bids. Edling Elec., Inc., B-231593, Aug. 10, 1988, 88-2 CPD ¶ 128.

<sup>2</sup>Where, as here, a bidder submits a bid containing two offers, one which meets the specifications and the other which does not, the government is not precluded from accepting that offer which meets the specifications. Sidings Unlimited, 65 Comp. Gen. 130 (1985), 85-2 CPD ¶ 686.